

# 2025-26 BUDGET PRESENTATION #1

Board Workshop: Mid-Year Finance Update & Budget Planning

Calallen ISD | February 3, 2025



# **2024-25 MID-YEAR FINANCE UPDATE**

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# 2024-25 BUDGET SUMMARY

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- Revenue Considerations
  - No Legislative Investment in School Funding
  - Chapter 313 Revenue **-\$800,000**
  - Enrollment: 3,915    ADA: 92.5% or 3,621.362
- Expense Considerations
  - 1.5% Raises **+\$505,000**
  - TSHBP Additional Contributions **+\$390,000**
  - Property Insurance Premiums **-15% or -\$385,000**
  - 7% Budget Cuts **-\$345,000**

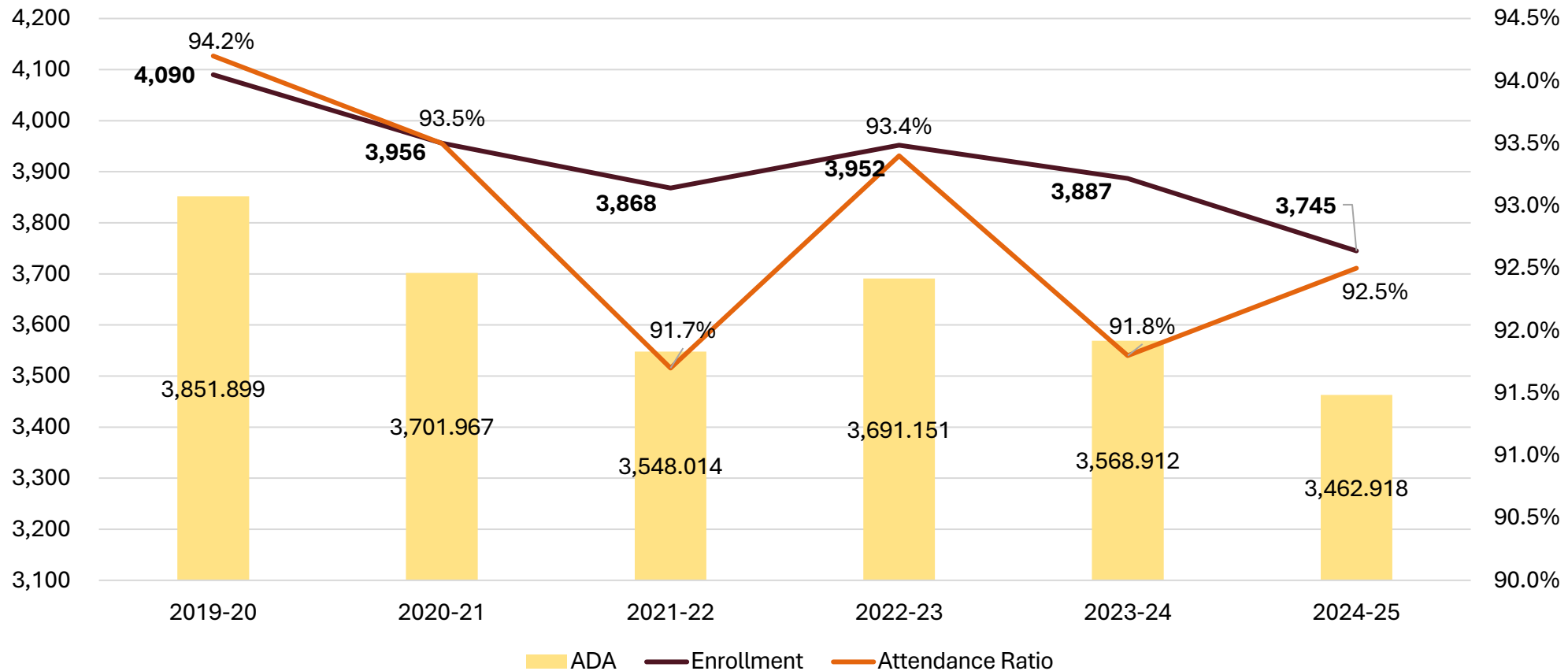


# ADA & ENROLLMENT HISTORY

Fiscal Year	Enrollment – October Snapshot	Final ADA	ADA Attendance Ratio
2019-20	4,090	3,851.899	94.2%
2020-21	3,956	<del>3,701.967</del> 3,852.814 HH	93.6%
2021-22	3,868	<del>3,548.014</del> 3,648.044 HH	91.7%
2022-23	3,952	3,690.834	93.4%
2023-24	3,887	3,568.912	91.8%
<b>2024-25 Budget</b>	<b>3,915</b>	<b>3,621.362</b>	<b>92.5%</b>
<b>2024-25 Update</b>	<b>3,745</b>	<b>3,462.918</b>	<b>92.5%</b>



# ADA, ATTENDANCE, & ENROLLMENT



# GENERAL FUND – REVENUE

	2021-22 Audit Final	2022-23 Audit Final	2023-24 Audit Final	2024-25 Budget	2024-25 Mid- Year Estimate
Property Taxes	\$18,630,512	\$19,297,546	\$14,922,156	\$19,800,000	\$19,855,000
Other Local	\$421,949	\$1,583,151	\$1,476,140	\$1,280,000	\$1,173,000
State Revenue	\$18,211,661	\$18,234,020	\$21,906,720	\$17,800,000	\$16,872,500
TRS On-Behalf	\$2,158,605	\$2,363,761	\$2,420,011	\$2,251,471	\$2,442,000
Federal Revenue	\$446,549	\$492,781	\$417,062	\$300,000	\$292,000
<b>Subtotal</b>	<b>\$39,855,101</b>	<b>\$41,971,258</b>	<b>\$41,142,089</b>	<b>\$41,431,471</b>	<b>\$40,634,500</b>
CH 313s	\$2,779,118	\$2,060,227	\$1,539,340	\$700,000	\$700,000
Other	\$0	\$0	\$476,322	\$0	\$0
<b>Total</b>	<b>\$42,649,393</b>	<b>\$44,031,485</b>	<b>\$43,157,752</b>	<b>\$42,131,471</b>	<b>\$41,334,500</b>

**Difference = (\$800,000)**



# GENERAL FUND – EXPENSES

	2021-22 Audit Final	2022-23 Audit Final	2023-24 Audit Final	2024-25 Budget	2024-25 Mid- Year Estimate
Payroll	\$33,016,629	\$35,546,708	\$36,124,569	\$37,014,649	\$36,868,000
Non-Payroll	\$8,364,449	\$10,827,171	\$9,218,505	\$9,152,461	\$9,140,000
<b>Subtotal</b>	<b>\$41,387,078</b>	<b>\$46,373,879</b>	<b>\$45,343,073</b>	<b>\$46,167,110</b>	<b>\$46,008,000</b>
Transfers Out	\$329,756	\$696,319	\$101,401	\$0	\$0
Recapture	\$0	\$0	\$0	\$125,000	\$128,214
<b>Total Expenses</b>	<b>\$41,710,833</b>	<b>\$47,070,198</b>	<b>\$45,444,474</b>	<b>\$46,292,110</b>	<b>\$46,136,214</b>

**Difference = \$155,000**



# GENERAL FUND – FUND BALANCE

	2021-22 Audit Final	2022-23 Audit Final	2023-24 Audit Final	2024-25 Budget	2024-25 Mid- Year Estimate
Total Revenue	\$42,648,397	\$44,031,485	\$43,157,752	\$42,131,471	\$41,334,500
Total Expenses	(\$41,710,834)	(\$47,070,198)	(\$45,444,474)	(\$46,292,110)	(\$46,136,214)
<b>Net Roll/Loss</b>	<b>\$937,560</b>	<b>(\$3,038,713)</b>	<b>(\$2,286,722)</b>	<b>(\$4,160,639)</b>	<b>(\$4,801,714)</b>
<i>Beg Fund Balance</i>	\$23,137,618	\$24,075,178	\$21,036,465	\$18,749,743	\$18,749,743
<b>End Fund Balance</b>	<b>\$24,0175,178</b>	<b>\$21,036,465</b>	<b>\$18,749,743</b>	<b>\$14,589,104</b>	<b>\$13,948,029</b>

**Difference = (\$645,000)**





# **2025-26 BUDGET PLANNING**

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# BUDGET HISTORY SUMMARY

Fiscal Year	Raises	Chapter 313 Payments	Other Considerations	Net Roll/(Loss)
2019-20	3.4% +\$900,000	\$1,629,015	ESSER Supplant Payroll Savings COVID Savings	<b>\$3,473,798</b>
2020-21	1.5% +\$550,000	\$1,427,406	ESSER Supplant Payroll Savings 5% Budget Cuts	<b>\$1,844,296</b>
2021-22	3.0% +\$810,000	\$2,779,118	Maintenance Tax Notes Property Insurance Premiums	<b>\$937,560</b>
2022-23	Avg. of 4.8% +\$1,100,000	\$2,060,227	Reopening Magee +\$1,250,000	<b>(\$3,038,713)</b>
2023-24	1.5% +\$470,000	\$1,539,340	10% Budget Cuts (\$650,000) Staffing Reductions 8 (\$520,000) Safety & Security Initiatives +\$520,000	<b>(\$2,305,660)</b>
2024-25	1.5% +\$505,000	\$700,000	7% Budget Cuts (\$345,000) TSHBP Payments +\$390,000	<b>(\$4,801,714)</b>



# 2025-26 AND BEYOND

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## FROM THE 2024-25 ADOPTED BUDGET PRESENTATION:

### 2025-26 AND BEYOND

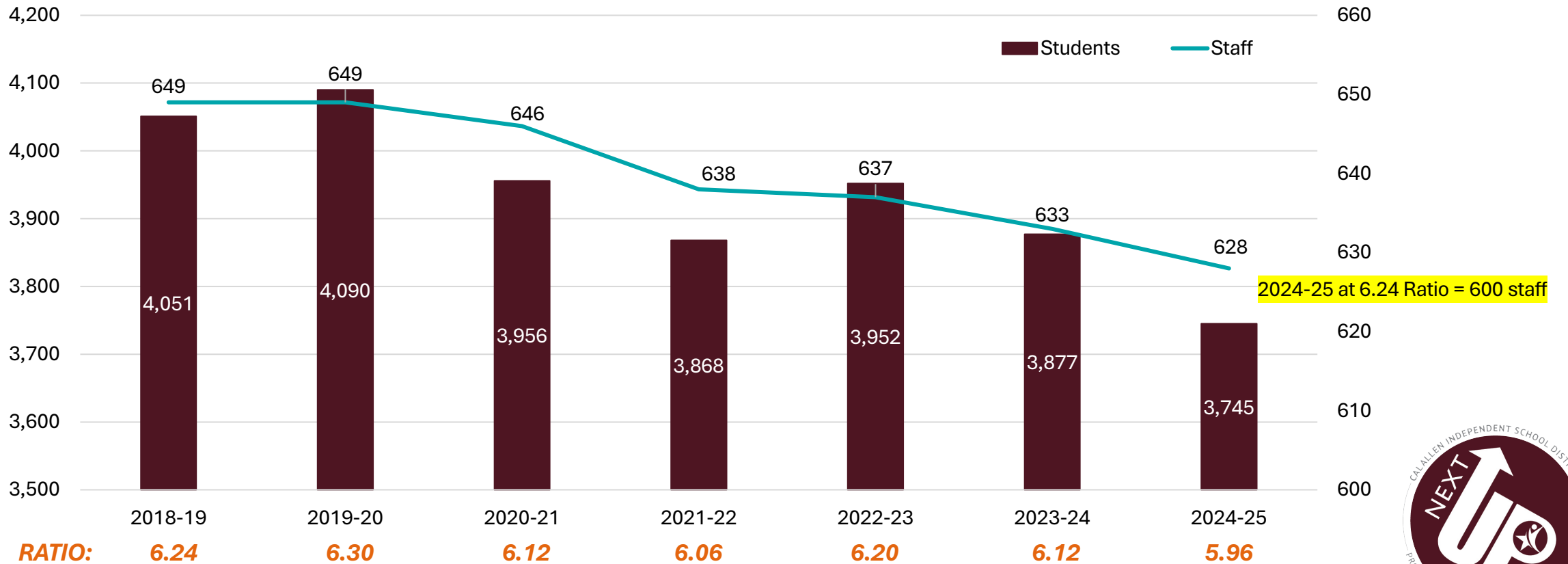
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- Without Legislative Investment in School Funding, Balancing the Budget Would Require:
  - Reduction in Staff – Approximately 30 Positions
  - Additional Campus and Department Budget Cuts
- Administration would begin this process in March 2025



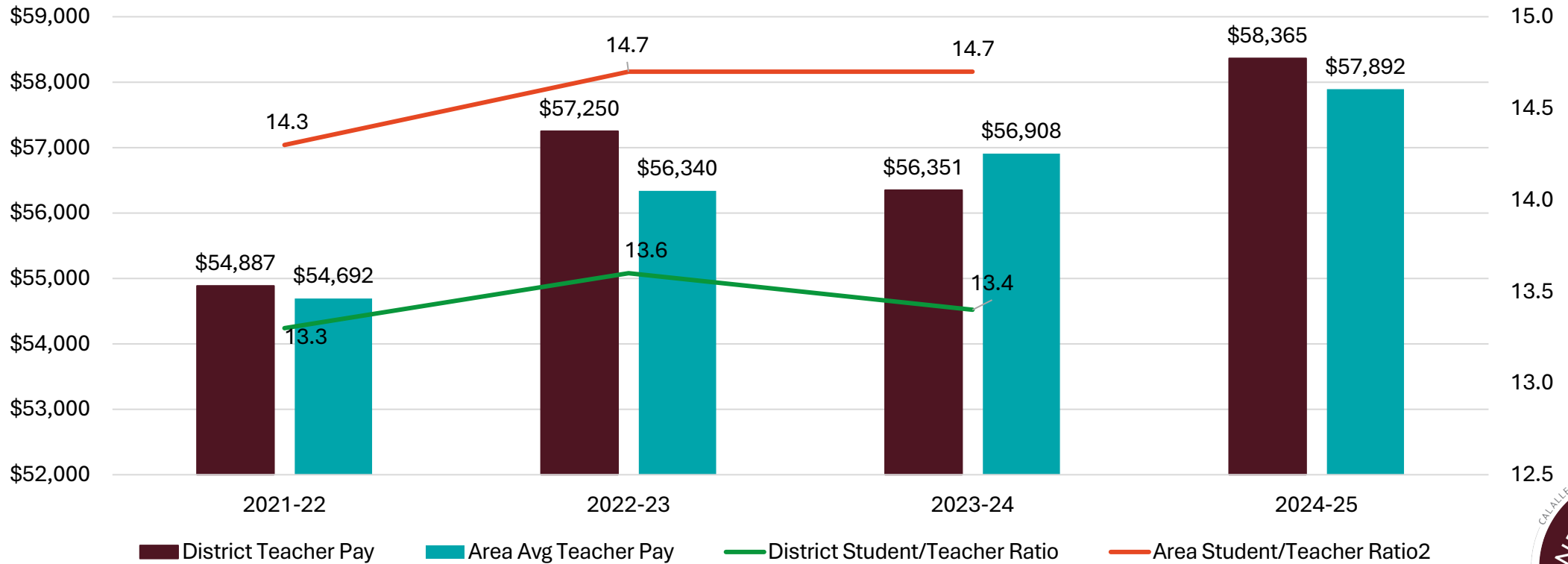
# 2025-26 AND BEYOND

Financial Well Being Report - Student vs. Staff Counts



# 2025-26 AND BEYOND

## Area Teacher Pay & Student/Teacher Ratio Comparisons



# GENERAL FUND – 5 YEAR PROJECTIONS

	2023-24 Audit Final	2024-25 Mid- Year Estimate	2025-26 Estimates	2026-27 Estimates	2027-28 Estimates
Total Revenue	\$43,157,752	\$41,334,500	\$43,070,840	\$44,205,657	\$43,521,470
Total Expenses	(\$45,444,474)	(\$46,136,214)	(\$46,986,760)	(\$47,881,181)	(\$48,791,568)
<b>Net Roll/Loss</b>	<b>(\$2,286,722)</b>	<b>(\$4,801,714)</b>	<b>(\$3,915,920)</b>	<b>(\$3,675,524)</b>	<b>(\$5,270,098)</b>
<i>Beg Fund Balance</i>	\$21,036,465	\$18,749,743	\$13,948,029	\$10,032,109	\$6,356,584
<b>End Fund Balance</b>	<b>\$18,749,743</b>	<b>\$13,948,029</b>	<b>\$10,032,109</b>	<b>\$6,356,584</b>	<b>\$1,086,487</b>

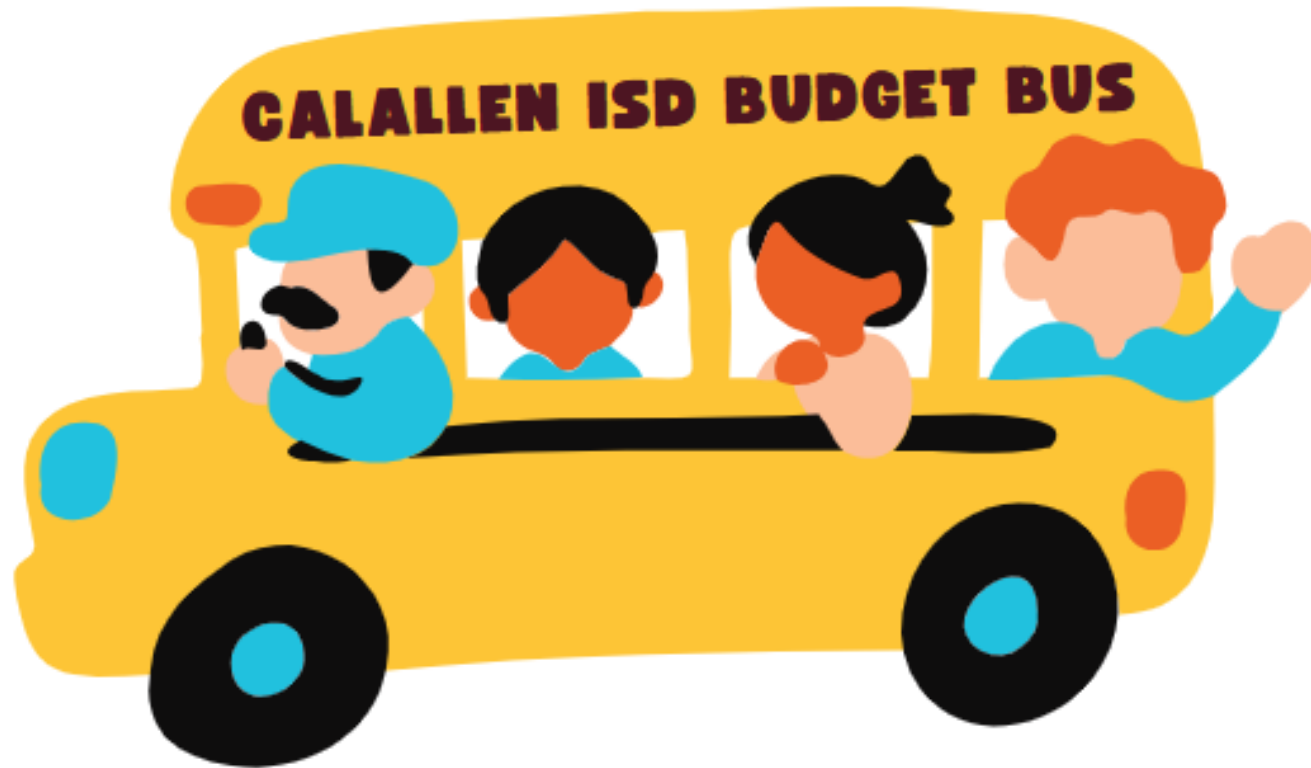
Assumes:

- **No future legislative investment in school funding**
- 4% Property Value growth
- Conservative enrollment trends
- 2.0% Raises, and 1% Non-payroll expense inflation
- Recapture payments beginning in 2024-25



# ALL ABOARD!

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WHERE ARE WE HEADED?....



# BUDGET ROADMAP

2025-26 | CALALLEN ISD



# BUDGET TIMELINES

## Set Budget Priorities

- Administration, Principals, & Directors – January 31, 2025
- Board Workshop – February 3, 2025

## Demographic Study

- Board Meeting – March 3, 2025

## Assessment of Staffing Needs

- Administration, Principals, & Directors – March & April 2025

## Budget Collaboration

- Ongoing Meetings in Spring 2025
- Board Meetings – Summer 2025

## Adopt Budget Recommendations

- Special Board Meeting – August 25, 2025





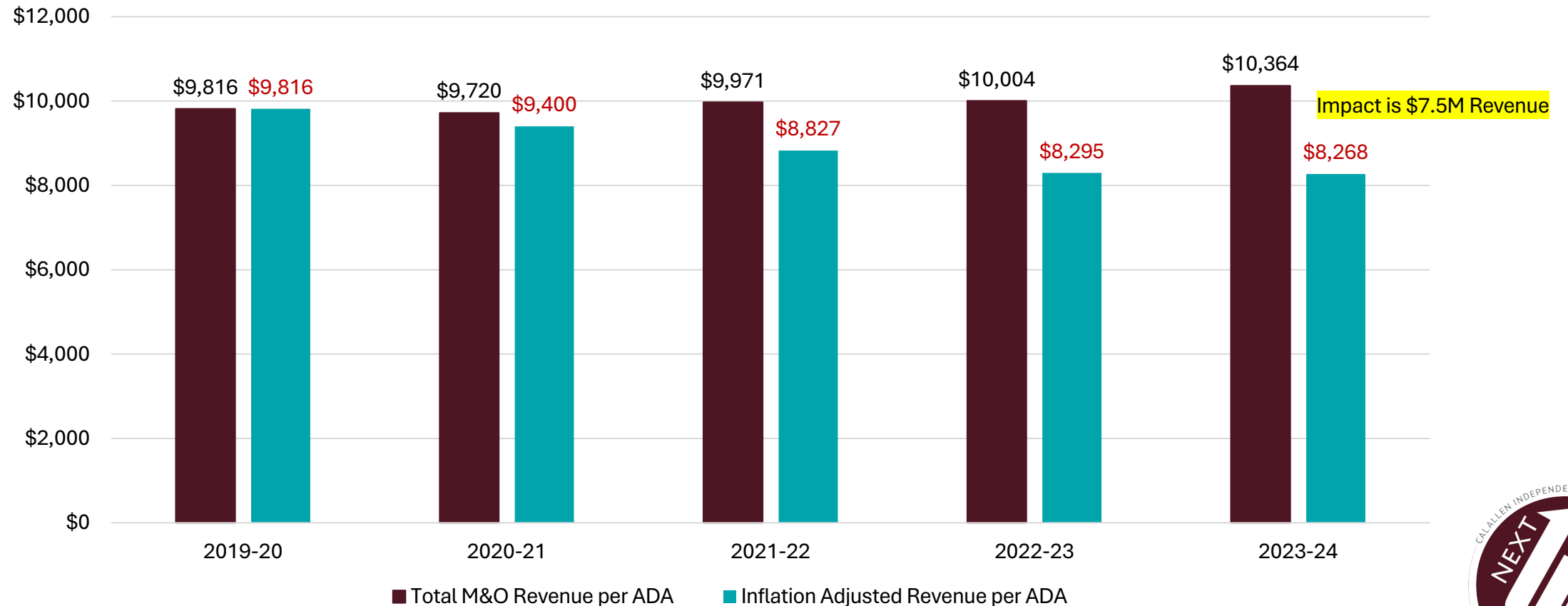
# HB3 REVENUE INCREASES

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- For Reference, when HB3 passed in the 86<sup>th</sup> Legislative Session the following things occurred:
- Basic Allotment Increase  
**\$1,020** or **20%**
- Calallen ISD State Funding Increase  
**\$2,500,000** or **15%**
  
- A 20% increase in the basic allotment = **\$7,392**
- A 15% increase in state funding for 2024-25 = **\$2,500,000**



# INFLATION ADJUSTED REVENUE



\*\*Data and calculations presented in this chart were provided by TASBO



# 89<sup>th</sup> LEGISLATIVE SESSION

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- TOO EARLY FOR ANY PREDICTIONS

- 86<sup>th</sup> Legislative Session HB3 - \$11.5B

- \$6.5B increase in school funding
- \$5B property tax relief

- 89<sup>th</sup> Legislative Session Budget Bills Introduced

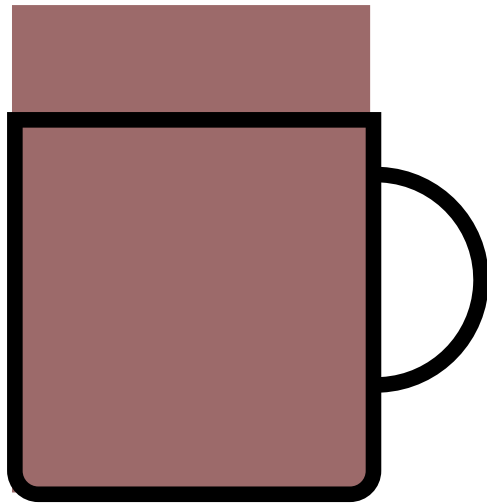
- Roughly \$4.5B earmarked for increase in school funding (both include required pay increases)
- \$3.5B earmarked for property tax relief



# BUDGET DECISIONS

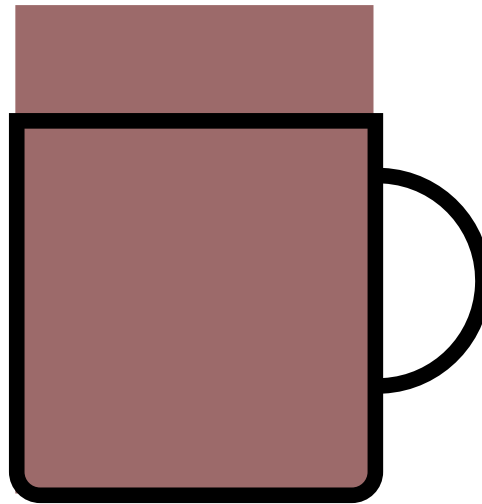
## CURRENT BUDGET

*Over Budget by \$4.8m*



## FUTURE BUDGETS

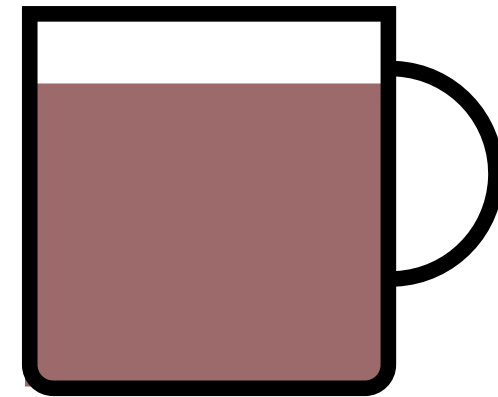
*Without Budget Reductions*



The District must **utilize increases in funding to cover prior expenditure deficits** before spending on new expenditures.

## FUTURE BUDGETS

*With Budget Reductions*



This allows the District the room to **utilize increases in funding on new expenditures.**

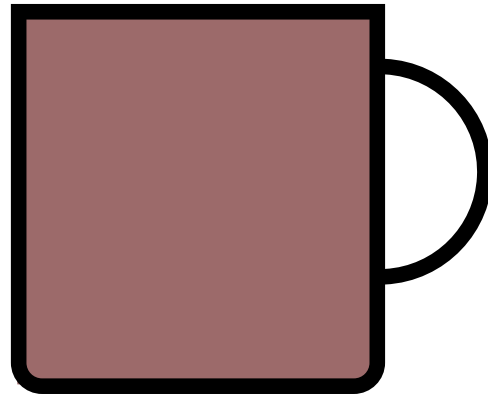


# WHAT IS THE GOAL?

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## 2025-26 ADOPTED BUDGET

*Balanced*



This allows the District the room to **utilize increases in funding on new expenditures** and to **preserve the long-term financial well-being** (fund balance) of the District.



# BUDGET FACTORS

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## FACTORS WE CAN CONTROL

- Staffing Levels
- Compensation Levels
- Campus & Department Budgets
- Property Tax Rates & Bonds
- Special Allotments & Grants

## FACTORS WE CANNOT CONTROL

- Enrollment & Attendance
- School Funding & Legislative Session
- Inflation
- Insurance Premiums
- Property Tax Values



# HOW THE DISTRICT SPENDS \$1

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80¢ - PAYROLL   7.6¢ - INSURANCE & UTILITIES   5.9¢ - OPERATIONS  
6.1¢ - INSTRUCTION & SUPPORT   1.0¢ - ADMIN & OTHER



# HOW THE DISTRICT SPENDS \$1

80¢ - PAYROLL 7.6¢ - INSURANCE & UTILITIES 5.9¢ - OPERATIONS  
6.1¢ - INSTRUCTION & SUPPORT 1.0¢ - ADMIN & OTHER

CATEGORY	PERCENT	AMOUNT
Payroll	80%	\$36,125,000
Insurance & Utilities	7.6%	\$3,448,000
Instruction & Support	6.1%	\$2,758,000
Operations	5.9%	\$2,680,000
Admin & Other	1.0%	\$433,000





# SALARY & BENEFITS HISTORY

Fiscal Year	% Increase	Starting Teacher Salary	187 Day Teacher Increase	Other Employee Increase	Other	Health Insurance Contribution
2019-20 (HB3)	3.4%	\$48,570	\$1,450	\$0.75 <i>Per Hour</i>	-	\$375 <i>Per month</i>
2020-21	1.5%	\$48,750	\$800 <i>+Additional adjustment for steps 2-20</i>	1.5% <i>of midpoint</i>	\$500 <i>December retention stipend</i>	\$375 <i>Per month</i>
2021-22	3.0%	\$50,000	\$1,658	3.0% <i>of midpoint</i>	\$500 <i>December retention stipend</i>	\$375 <i>Per month</i>
2022-23	Avg. of 4.8%	\$51,000	\$2,750 Avg.	2.0% <i>of midpoint</i>	\$1,000 <i>December retention stipend</i>	\$375 <i>Per month</i>
2023-24	1.5%	\$51,500	\$880	1.5% <i>of midpoint</i>	-	\$375 <i>Per month</i>
2024-25	1.5%	\$52,000	\$885	1.5% <i>of midpoint</i>	-	\$375 <i>Per month</i>



# TASB SALARY STUDY

## SALARY AND BENEFITS – TASB MODEL 3

Fiscal Year	% Increase	187 Day Teacher Increase	Starting Teacher Salary	Other Employee Increase	Other
2020-21	1.5%	\$800 +Additional adj steps 2-20	\$48,750	1.5% of midpoint	\$500 Dec retention stipend
2021-22	3.0%	\$1,658	\$50,000	3.0% of midpoint	\$500 Dec retention stipend
2022-23	Avg. of 4.8%	\$2,750 Avg.	\$51,000	2.0% of midpoint	\$1,000 Dec retention stipend
2023-24	1.5%	\$880	\$51,500	1.5% of midpoint	N/A
2024-25	1.5%	\$885	\$52,500	1.5% Of new midpoint	N/A

### • Summary

- Adopt TASB Pay Plan recommendations
- TASB Equity Adjustments
- Cost to the District : \$725,000
- No increase to District Contribution to Health Insurance Premiums - \$375/month
- 10% Budget Cuts

CALLEN ISD



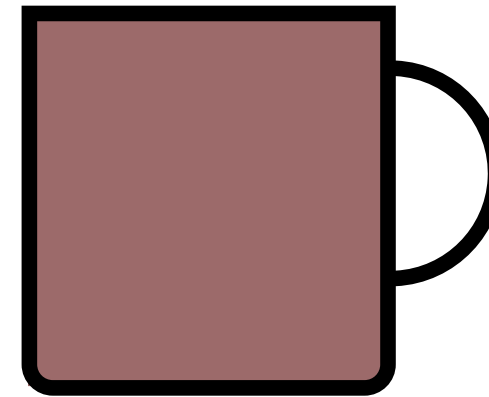
# SUMMARY OF BUDGET DEFICIT

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CATEGORY	AMOUNT
2024-25 Deficit	(\$4,800,000)
30 Position Reduction	\$2,000,000
<b><i>Subtotal</i></b>	<b><i>(\$2,800,000)</i></b>

2025-26 ADOPTED BUDGET

*Balanced*



HOW DO WE GET THERE?



# WE ARE NOT ALONE...

## North East ISD considers closing three schools next year due to budget constraints

by SBG San Antonio Staff Reports | Wed, January 22nd 2025 at 11:12 AM  
Updated Wed, January 22nd 2025 at 12:55 PM

Education

## North Texas school districts face millions in budget cuts, closures & layoffs to fend off deficits

KERA | By [Bill Zeeble](#)  
Published May 22, 2024 at 5:00 AM CDT



## Comal ISD prepared for potential budget cuts if lack of state funding continues

Erica Wilson | [The Herald-Zeitung](#) Nov 13, 2024 Updated Nov 13, 2024 1

DALLAS - FORT WORTH / KELLER - ROANOKE - NORTHEAST FORT WORTH / EDUCATION

## Northwest ISD board discusses 2025-26 budget reduction plan



By [Mark Fadden](#) | 2:48 PM Jan 21, 2025 CST  
Updated 2:48 PM Jan 21, 2025 CST



## 5 ideas Austin ISD has proposed to reduce its \$92 million deficit

KUT 90.5 | By [Becky Fogel](#)  
Published December 13, 2024 at 11:38 AM CST



# DATA REVIEW - SUMMARY

## TASB STAFFING RECOMMENDATIONS

CAMPUS	TASB	DISTRICT
CHS	67.5	85.0
CMS	48.6	65.0
West	28.8	35.0
Magee	28.4	35.0
East	34.8	44.0
Wood River	31.8	40.0
Custodial	32.4	29.0
Maintenance	13.6	17.0
Technology	7.1	7.0
Transportation	31.21	30.0

## BUDGET DATA

PER PUPIL	2021-22	2022-23	2023-24	2024-25
Fall Enrollment	3,868	3,952	3,887	3,745
Payroll	\$8,536	\$8,995	\$9,294	\$9,884
Other Budgets	\$2,595	\$2,707	\$2,682	\$2,447
<b>Total</b>	<b>\$11,131</b>	<b>\$11,701</b>	<b>\$11,975</b>	<b>\$12,361</b>



# BUDGET STOP 1

**BUDGET  
ROADMAP**  
2025-26 | CALLEN ISD

**1**

**SET BUDGET  
PRIORITIES**

The graphic features a dark maroon rectangular sign at the top with the text 'BUDGET ROADMAP' in large white letters and '2025-26 | CALLEN ISD' below it. A yellow school bus with a driver and three passengers is driving on a winding, dark maroon road with white dashed lines. A red location pin icon with the number '1' inside a white circle points to the text 'SET BUDGET PRIORITIES' on the road.



# SET BUDGET PRIORITIES

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## STRATEGIC PLAN BALANCED SCORECARD 2024-2029

- **PRIORITY 1:** Building and Sustaining a Culture of Performance and Preparedness for Life Beyond High School
- **PRIORITY 2:** Building and Sustaining a Culture of Faculty and Staff Commitment
- **PRIORITY 3:** Increasing Community Engagement and Commitment
- **PRIORITY 4:** Ensuring Effective and Efficient Operations



# SET BUDGET PRIORITIES

<b>PRIORITY 1: Building and Sustaining a Culture of Performance and Preparedness for Life Beyond High School</b>	<b>PRIORITY 2: Building and Sustaining a Culture of Faculty and Staff Commitment</b>	<b>PRIORITY 3: Increasing Community Engagement and Commitment</b>	<b>PRIORITY 4: Ensuring Effective and Efficient Operations</b>
1.1 Academic Growth and Achievement	2.1 Faculty and Staff Commitment	3.1 Parent and Family Engagement	4.1 Strong Financial Stewardship
1.2 College, Career, and Military Readiness	2.2 Capacity Building for all Faculty and Staff	3.2 Community Engagement and Commitment	4.2 Operational Efficiencies and Processes
1.3 Student participation in activities, clubs to build well-rounded citizens	2.3 Competitive Compensation for Faculty and Staff	3.3 Community Partnerships	4.3 Safety and Security
1.4 Student Safety and Well-Being			





# SET BUDGET PRIORITIES

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- Administration, Principals, & Directors met January 31, 2025 and collectively identified and recommend the following **DISTRICT BUDGET PRIORITIES:**

## **1.1 Academic Growth and Achievement**

- Analyze the academic return on investment

## **1.3 Student participation in activities, clubs to build well-rounded citizens**

- Maintain current extra-curricular offerings to support student attendance & enrollment

## **2.3 Competitive Compensation for Faculty and Staff**

- Retention of high quality, effective staff

## **4.1 Strong Financial Stewardship**

- Preserve the fund balance and long-term financial wellbeing



# SET BUDGET PRIORITIES

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- Discuss **BOARD BUDGET PRIORITIES:**
  - A. TBD
  - B. TBD
  - C. TBD
  - D. TBD



# FUND BALANCE DISCUSSION

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# FUND BALANCE CONSIDERATIONS

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- Per TEA, the ideal fund balance is 3 month's operating expenses, or ***\$11.5 million for CISD***
- 2024-2025 projected fund balance: **\$13,948,029**
  - \$4 million assigned for Property Insurance Deductibles
  - \$9.95 million unassigned
- Reasons to continue to maintain a healthy fund balance:
  - Cash flow
  - Hurricane or other disaster, named storm insurance deductible is 3% per occurrence, per location/\$500K Minimum
  - Single large taxpayer, represents 18% of our tax base, or a \$2.5 million risk
  - Future Legislative session impacts & HB3 impact of fixed income diet



# BOARD POLICY – CE LOCAL

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- Consider Amending to Include Fund Balance
- Examples:
  - Set annual target as a % of total budgeted expenditures
  - Set annual target as # months of total operating expenditures
  - Include language around committed and assigned fund balance
  - Include language for annual report



**QUESTIONS,  
COMMENTS,  
CONCERNS?**

